

**State Office of Administrative Hearings and Rules**  
**Department of Labor and Economic Development**  
**Lansing, Michigan 48909**

**REGULATORY IMPACT STATEMENT**

**I. GENERAL:**

**I-A. Rule Number(s):**

Rule set R 28.4102, et seq. Rule set R 28.4151, et seq. Rule set R 28.4301, et seq. Rule set R 28.4351, et seq.

**I-B. Identify relationship of the rule to state and federal statutes and regulations:**

These rule sets are promulgated under authority of Public Act 203 of 1965, as amended. There is no relationship to federal statutes.

**I-C. Identify how the rule compares to an industry standard set by a state or national licensing organization.**

There is no state or national licensing organization or licensing standard other than the Michigan Commission on Law Enforcement Standards (MCOLES).

**I-D. Is the rule more restrictive or less restrictive than the federal rule or industry standard?**

Not applicable.

**I-E. What are the sanctions on the state if the rule is not adopted?**

The Act directs the Michigan Commission on Law Enforcement Standards to promulgate rules to implement the Act, therefore the Commission would be in direct violation of the statute. Further, it would likely result in an Office of the Auditor General citation for failure to promulgate rules.

## **II. GOAL OF RULE:**

### **II-A. Identify the conduct and its frequency of occurrence that the rule is designed to change:**

The rules govern the selection, employment, training, licensing and revocation of law enforcement officers in Michigan. The goal is to have a process that is efficient and effective in assuring high standards for licensing qualified officers in conformance with the requirements of the Act and for due process in the license revocation process. This affects approximately 1000 to 1200 new officers each year and generally fewer than 50 officers who lose their license each year through revocation.

### **II-B. Identify the harm resulting from the conduct the rule is designed to change and the likelihood it will continue to occur if the rule is not changed:**

If these rule sets are not revised, the amendments to 1965 PA 203 (1998 PA 237, 2001 PA 186, and 2004 PA 379) and Executive Order 2001-5 will not be properly implemented. The changes include provisions for license revocation, as well as implementation of the Web-based tracking of training and personnel transactions. Also the rules will not be updated with respect to the consolidation of the Commission on Law Enforcement Standards and the Michigan Justice Training Commission and attendant changes. This means that the affected constituencies would have to be regulated by policy, a much less effective means by which to conduct business; it would be less defensible because it would not have the force of law. Compliance would likely be somewhat diminished, particularly as it pertains to revocation.

### **II-C. Estimate the change in the frequency of the targeted conduct expected from the rule change:**

The frequency is likely to change relatively little. However the efficiency of the operation and the ease of compliance by affected parties is likely to improve significantly. Because of increased efficiency through improved tracking and more efficient prosecution procedures, it is likely that there will be an increase in the number of officer license revocations. The revised rules should also make it easier for agencies to select and employ officers in compliance with the Act.

### **II-D. Identify any alternatives to regulation by rule that would achieve the same or similar goals:**

MCOLES has no alternative to rule promulgation since the Act directs it. The programs could be administered by policy, but that would weaken the regulatory control of the Commission.

### **II-E. Discuss the feasibility of establishing a regulatory scheme within the industry independent of state intervention:**

Not applicable.

### **III. COSTS TO GOVERNMENT UNITS:**

#### **III-A. Estimate the cost of rule imposition on the department or agency promulgating the rule, including the costs of the equipment, supplies, labor and increased administrative costs for initial imposition of the rule and any ongoing monitoring:**

The costs to the MCOLES for promulgating this rule include a percentage of the wages of the employees working on the rule-drafting, working with constituents, as well as the direct costs of printing, duplicating, and distributing drafts. The costs related to implementation are relatively minor, since the costs are part of administering the programs, which are on-going.

#### **III-B. Estimate the cost of rule imposition on other state or local government agencies, including the cost of equipment, supplies, labor, and increased administrative costs, in both initial imposition of the rule and any ongoing monitoring:**

State and local agencies that employ law enforcement officers will incur no additional costs related to the imposition of the proposed rule revisions. These agencies are currently complying with the rules and costs will not change with the revisions. It is likely that now that the new Web-enabled information system has come online that agency costs will go down since reporting will be streamlined, paperless, and much faster.

### **IV. COSTS TO REGULATED INDIVIDUALS:**

#### **IV-A. Estimate the actual statewide compliance costs of the rule to individuals, including the costs education, training, application fees, examination fees, license fees, new equipment or increased labor, exclusive of those costs identified in section III above:**

Costs to individuals should not change in response to this revision of the rules.

#### **IV-B. Identify any compliance costs of requiring reports and the estimated cost of their preparation by individuals who would be required to comply with the rule:**

The Web-based tracking and information system has some reporting requirements, although no new reporting is required; however, "reports" are not required in a traditional regulatory sense. Use of Web-based business transactions has lowered the cost related to paper communications with MCOLES.

#### **IV-C. Estimate the cost of any legal, consulting and accounting services and any other administrative expenses individuals will incur in complying with the rule:**

The revised rules will not impose any new costs on individuals.

#### **IV-D. Estimate the number of individuals the rule affects:**

Approximately 22,000 law enforcement officers and 1000-1200 law enforcement officer candidates each year are affected.

**IV-E. Will the rule have a disproportionate impact on individuals based on their geographic location?**

No.

**V. COSTS TO BUSINESS:**

**V-A. Estimate the actual statewide compliance costs of the rule to specifically include small businesses, including the costs of equipment, supplies, labor, training, application fees, permit fees, supervisory costs, exclusive of those identified in sections III and IV above:**

Generally businesses, including small businesses, are not regulated by these rules. The rules regulate individuals and governmental agencies with respect to law enforcement personnel selection, training, and licensing. Businesses that provide in-service training to law enforcement would be required under the proposed rule revisions to register their course offerings. This is currently required and costs would not increase under the proposed revisions.

**V-B. Identify any reports the rule requires and the estimated cost of their preparation by businesses, specifically include small businesses:**

No "reports" are required of small businesses, however in-service training providers are required to register their course offerings on-line. This likely entails lower costs in time and postage than the formerly required paper submissions.

**V-C. Estimate the cost of any legal, consulting and accounting services and any other administrative expenses businesses will incur in complying with the rule, specifically include small businesses:**

No change is required from past practice.

**V-D. Estimate the number of businesses the rule affects:**

500-600 vendors (including law enforcement agencies) who register courses with the Commission.

**V-E. Identify any disproportionate impact the rule may have on small businesses because of their size or geographic location:**

None.

**V-F. Discuss the ability of small businesses to absorb the costs estimated above without suffering economic harm and without adversely affecting competition in the marketplace:**

No change from current rules.

**V-G. Estimate the cost to the agency enforcing or administering the rule to exempt or set lesser standards for small businesses:**

Not applicable.

**V-H. Determine the impact on the public interest of exempting or setting lesser standards for small business:**

MCOLES is a statewide standard setting agency. Creating an exception for small business would establish two compliance standards and effectively gut compliance with the program standards and adversely impact purchasers of the small businesses' training programs.

**V-I. Explain how the agency reduced the economic impact of the rule on small businesses, as section 24.240 of the Michigan Compiled Laws requires, or discuss why such a reduction was not feasible:**

Although these rules technically apply to a small business, they will not have a disproportionate impact on small businesses because of the size of those businesses.

**V-J. Discuss whether and how the agency has involved both industry and small business in the development of the rule:**

Interested constituents were invited to participate in the drafting of the rules. Numerous public half-day sessions, including Commission meetings, were conducted to explain the drafts and receive suggestions for wording, etc.

## **VI. BENEFITS OF RULE:**

**VI-A. Estimate the primary and direct benefits of the rule, including but not limited to the rule's impact on business competitiveness, the environment, worker safety, and consumer protection:**

The revised rules will update and clarify the standards and requirements for the Commission. It will therefore simplify compliance with the program requirements. The impact factors listed in the question do not apply.

**VI-B. Estimate the secondary or indirect benefits of the rule, including spin-off benefits to business, the environment, workers, and consumers:**

The proposed rule revisions implement Public Act 203 of 1965, as amended, simplify compliance, and do not impose any additional costs. Through the rules related to revocation, the public safety is enhanced by removing officers who have betrayed the public trust at the same time ensuring due process rights. The rules in general enhance public safety through standards setting and compliance.

**VI-C. Are the direct and indirect benefits of the rule likely to justify the cost?**

There are no additional costs.

**VI-D. Estimate the cost reductions to government, individuals, and businesses as a result of the rule:**

None.

**VI-E. Estimate the increased revenues to state or local government units as a result of the rule:**

None.

**VI-F. Identify the sources you relied upon in calculating your cost and benefit responses:**

Constituent input through the rule drafting and review process, including half-day work sessions.

**RAO OFFICER** \_\_\_\_\_  
**DATE:** \_\_\_\_\_

**SOAHR OFFICER** \_\_\_\_\_  
**DATE:** \_\_\_\_\_

**APPROVED:**  
**DISAPPROVED:**  
**MORE INFORMATION:**